REMARKS

This application has been carefully reviewed in light of the Office Action dated March 31, 2004. Claims 1-9 remain pending in this application. Claims 1, 4, 5, and 7 are the independent claim.

In response to the objection to the specification for failing to include headings, Applicant gratefully acknowledges the Office Action's suggestion, however respectfully declines to add the headings as they are not required in accordance with MPEP §608.01(a).

In response to the Office Action's objection to the drawings, Applicant respectfully requests that substitute Figs. 1-3 incorporating the requested labels be entered. Two (2) copies of substitute Figs. 1-3 are herewith included and contain no new matter.

On the merits, the Office Action rejected Claims 1-9 under 35 U.S.C. § 102(b) as being anticipated by Karam et al. (U.S. Patent No. 5,148,448; hereinafter "Karam"). Applicant respectfully traverses the rejection for at least the following reasons:

Karam recites an adaptive predistortion circuit which functions by comparing the in-phase and quadrature input data symbols with the in-phase and quadrature demodulated data symbols. (Col. 1, lines 7-31) This circuit determines the center of gravity of each smeared spot (cloud) of the received constellation by calculating a set of mean errors that is used to adapt. (Col. 3,

lines 48-64) The comparison between gravity centers and points of the nominal constellation yields a total number of errors by which an algorithm adapts stored data in the predistoriton circuit. (Col. 6, lines 55-64) Karam additionally requires a series of filters to account for the non-linearity of the circuitry. Karam fails to recite or suggest first transceiver is varied in response to a control signal stream generated in said second transceiver to counter the effects of channel distortion on a constellation of a recovered symbol stream. Thus the Applicant believes the rejection of Claim 1 over Karam to be in error and requests its withdrawal.

Claims 4 and 5 recite communications systems and Claim 7 recites a transceiver substantially corresponding to Claim 1 and are believed patentable for at least the same reasons.

Claims 2-3, 6, and 8-9 depend from one or another of the independent claims discussed above and are believed patentable for at least the same reasons. In addition, Applicant believes Claims 2-3, 6, and 8-9 to be independently patentable and request separate consideration of each claim.

In view of the foregoing remarks, Applicant respectfully requests favorable reconsideration and early passage to issue of the present application. Applicant's undersigned attorney may be reached by telephone at the number given below.

Respectfully submitted,

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July 30, 2004